



## Santa Clara County Office of Education

Xavier De La Torre, Ed.D.  
County Superintendent of Schools

January 15, 2014

TO: Santa Clara County Board of Education

FROM: Toni Cordova  
Chief Strategy Officer

VIA: Xavier De La Torre, Ed.D.  
County Superintendent of Schools

SUBJECT: Decision on the Charter Petition for Morgan Hill Prep – A Navigator School

### ASSOCIATED GOAL

Improve student equity and reduce access discrepancies to high quality education

### BACKGROUND

The Santa Clara County Office of Education, Office of Innovative Schools (OIS), received a charter petition from Morgan Hill Prep - A Navigator School, on November 1, 2013. The Petition (Petition) was submitted by Petitioners on behalf of Navigator Schools Charter Management Organization, a California nonprofit public benefit corporation. The petition was denied by the Morgan Hill Unified School District Board of Education on October 8, 2013, and has been submitted to the Santa Clara County Board of Education on appeal.

Petitioners seek to establish a K-8 charter school that uses consistent, research-based instructional methods, frequent assessments, and a high quality staff to ensure the success of each of their students. Lead Petitioners are Sharon Waller and James Dent, whose experience in education comes from serving as an LSH/RSP teacher, and teacher and administrator, respectively. They are interested in replicating their first charter school, Gilroy Prep School (GPS), located in Gilroy, California. Gilroy Prep School opened in August of 2011 with grades K-2. After the first year of operation GPS had achieved an API of 978.

Within 30 days of receiving a petition, the Board must “hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the district, other employees of the district, and parents.” (Ed. Code, § 47605(b).) A public hearing was held on November 20, 2013. The Board must “either grant or deny the charter within 90 days of receipt of the petition.” (Ed. Code, §47605, subd. (b).) By mutual consent, the Board will act on the Petition during its January 15, 2014, meeting.

The Charter Schools Act of 1992 (“Act”) permits school districts to grant charter petitions, authorizing the operation of charter schools within their geographic boundaries. (Ed. Code, §47600, et seq.) In enacting the Act, the California Legislature intended for teachers, parents, and community members to

January 15, 2014

Santa Clara County Board of Education

Decision on the Charter Petition for Morgan Hill Prep – A Navigator School

Page 2 of 9

establish charter schools in order to, among other things, increase learning opportunities for all pupils, with special emphasis on expanding learning experiences for pupils who are identified as academically low achieving, encouraging the use of different and innovative teaching methods and programs, and providing new professional opportunities for teachers as well as expanded choice in the types of educational opportunities for parents and students. (Ed. Code, § 47601.)

Charter schools are established through submission of a petition by proponents of the charter school to the governing board of a public educational agency, usually a school district, and approval of the petition by the school district. The governing board must grant a charter, “if it is satisfied that granting the charter is consistent with sound educational practice.” (Ed. Code, §47605, subd. (b).) Nevertheless, a governing board may deny a petition for the establishment of a charter school if it finds that the particular petition fails to meet enumerated statutory criteria and it adopts written findings in support of its decision to deny the charter. (*Ibid.*) Once authorized, charter schools “are part of the public school system,” but “operate independently from the existing school district structure.” (Ed. Code, §§ 47615(a)(1) and 47601.)

If the Board grants the Petition, Morgan Hill Prep School will become a separate legal entity. If the Board grants the charter, it becomes the supervisory agency over the charter school. If the Board denies the petition, the Petitioners may appeal to the State Board of Education (“SBE”). (Ed. Code, §47605(j)(1).)

## **REVIEW OF THE PETITION**

Education Code section 47605, subdivision (b), sets forth the following guidelines for governing boards to consider in reviewing charter petitions:

- The chartering authority shall be guided by the intent of the Legislature that charter schools are, and should become an integral part of the California educational system and that establishment of charter schools should be encouraged.
- A school district governing board shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice.
- The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:
  - (1) *The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.*
  - (2) *The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.*
  - (3) *The petition does not contain the number of signatures required by statute.*
  - (4) *The petition does not contain an affirmation of each of the conditions required by statute.*

- (5) *The petition does not contain reasonably comprehensive descriptions of the required elements of a charter petition.*

County staff, with the assistance of general counsel, conducted a thorough review of the Petition guided by the legislative intent set forth in Education Code section 47601 and the statutory requirements of Education Code section 47605. Where relevant, the content of the Education Code is stated or paraphrased with respect to each area in which staff has identified deficiencies.

### **STAFF RECOMMENDATION**

Based upon its comprehensive review and analysis of the Petition, staff recommends that the Board deny the Petition. This staff recommendation contains staff's analysis of the Petition, and the written findings supporting staff's recommendation.

The following reasons justify denial of the Petition:

- **The Petitioners are demonstrably unlikely to successfully implement the program presented in the Petition; and**
- **The Petition fails to provide a reasonably comprehensive description of all required elements of a charter petition.**

More specific findings with regard to each basis for denial are described in numbered paragraphs below.

### **FINDINGS IN SUPPORT OF DENIAL**

Staff's review and analysis of the Petition resulted in the following findings:

**A. The Petition Reflects That Petitioners Are Demonstrably Unlikely To Successfully Implement The Program Pursuant To Education Code Section 47605(b)(2)**

The Education Code requires Petitioners to show they are demonstrably likely to successfully implement the program set forth in the Petition. (Ed. Code, § 47605, subd. (b)(2).)

Based on the following enumerated findings, staff concludes Petitioners are demonstrably unlikely to successfully implement the program set forth in the Petition.

**1. Required Signatures**

The petition is signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation. In this petition, three (3) teacher signatures were submitted. Of the three (3), we spoke with two (2) of them, both had valid multiple subject credentials and indicated that they were still interested in working at Morgan Hill Prep. The third teacher's phone number was "no longer in service." While staff attempted to identify the third

teacher's credential at the Commission on Teacher Credentialing, staff was unsuccessful as the name search yielded numerous results.

Further, each of the teachers signed indicating that they each held multiple subject teaching credentials. However, in reviewing the Petition, it is unclear what the teachers' assignments will be and without that clarity it is difficult to determine if the credentials teachers hold will match their assignment appropriately.

## **2. Questionable Financial and Operational Plan**

### **a. Local Control Funding Formula**

Effective July 1, 2013, the new Local Control Funding Formula (LCFF) laws apply to all charter schools as well as district schools. Accordingly, all charter petitions must address the new LCFF laws and petition reviewers must now evaluate operational budgets under the new LCFF guidelines. Therefore, the Petition, the budget, and the accompanying narrative must address how Petitioners intend to comply with the LCFF mandates. For example, Morgan Hill Prep will be required to prepare and adopt a Local Control Accountability Plan (LCAP). The purpose of the LCAP is in part to evaluate and hold school districts and charter schools accountable for their expenditures, particularly where those schools/districts are allocated additional monies to serve specific student populations (i.e., free and reduced lunch students and/or English language learners). Given that these student populations comprise a significant percentage of the Petitioners' projected enrollment, it will be critical for Morgan Hill Prep to prepare a comprehensive LCAP. This is a requirement to be acknowledged and addressed in the Petition. The Petition does not address LCFF or LCAP.

The budgets and cash flow analyses, included in the Petition, did not reflect the current LCFF funding model. The impact to the financials includes understatement of revenue, expenditures and fund balance, and incorrect estimates of cash receipts.

### **b. Reliance On An Outside Business Contractor**

Navigator Schools' contract with EdTec to provide business services for each of their charter schools. EdTec manages the schools' accounting functions and prepares their financial reports. While staff was informed that the Navigator Board reviews the schools' financials, there is not currently a Navigator employee who regularly reviews and oversees EdTec's work. Navigator Board Member Mr. Gargiulo indicated that EdTec is an instrumental partner in planning and developing the schools' budgets. The following errors were identified in the budget prepared by EdTec:

1. **Fund balance is incorrect.** The original petition budget contained errors in the calculated fund balance from incorrectly carrying forward the previous year's ending fund balance to the next year's beginning fund balance. As part of the Morgan Hill Prep's response to requests to reconcile fund balance errors, additional revised budgets were provided with the same type of error in year five (5).

January 15, 2014

Santa Clara County Board of Education

Decision on the Charter Petition for Morgan Hill Prep – A Navigator School

Page 5 of 9

2. **Cash Receipts of Public Charter School Grant Program (PCSGP) revenue are overestimated.** The cash flow analysis shows that in year one (1), the school plans to receive \$225K in July and \$174K in January (includes other federal revenue), with a year-end accrual of \$65K. The July payment appears reasonable; however, the January receipt appears overstated. The maximum cash the school could receive for the grant in year one (1) is \$325K. Assuming that all other federal revenue is received during the year (no accruals), the school would have to accrue \$100K for the grant and reduce the amount received in January by \$35K.
3. **The staffing assumptions are inconsistent with the budget.** The calculated costs for salaries based on the provided staffing tables and salary schedules did not match budget amounts for salaries in the budget.
4. Other discrepancies in the petition's budgets were identified; e.g. budgeted business services fees in years one (1) and two (2) do not calculate to the stated percentage of revenue.

While none of the errors identified are so significant as to jeopardize the school's overall financial position, they emphasize the school's reliance on EdTec's business services and the fact that either the school is not qualified or elects not to verify the accuracy and reliability of EdTec's work.

**c. Navigator Schools Pool Funds**

The budget and cash flow projections do not contain revenues and expenditures for the startup year. When asked why a startup budget was not included, Navigator Board Member James Gargiulo stated that Gilroy Prep's reserves are being used to finance the startup of Morgan Hill Prep, which was also the case for Hollister Prep's startup. He added that current costs incurred by Morgan Hill Prep are being recorded and will be reimbursed upon the charter's approval. However, the Morgan Hill Prep's costs that Gilroy Prep is absorbing are currently being accounted for as Gilroy Prep's expenses rather than an obligation of Morgan Hill Prep. In handling the transactions in this manner, both schools' finances are inaccurately reflected.

Morgan Hill Prep plans to begin its first year of operation with no cash and no reserves. The budget narrative identifies intercompany loans between Gilroy Prep and Hollister Prep as part of their contingency plan to address cash shortfalls. However, Navigator Board Member James Gargiulo stated that there would be no loans between schools; if one school requires cash, then the reserves of the other schools would be available to ease cash flow issues. Since each school's reserves are available to support other current and future Navigator schools, the financial success of Morgan Hill Prep is not only dependent on how the school's finances are managed, but also on the financial health of all Navigator schools.

A charter authorizing agency has fiscal oversight responsibilities for only the school they authorize. However, when a school's finances are intrinsically linked to the finances of other charter schools, particularly those that are authorized by other districts, the financial

transactions between schools are often complex and not transparent. It can be difficult for the authorizer to make a complete and accurate assessment of the school's financial condition when not all of the information is available for review.

**B. The Descriptions Of Several Charter Elements Are Not Reasonably Comprehensive As Required By Education Code Section 47605(b)(5)**

Education Code section 47605, subdivision (b)(5)(A-P), requires a charter petition to include reasonably comprehensive descriptions of numerous elements of the proposed charter school.

**Element A – Educational Program**

The Education Code provides various factors for considering whether a charter petition provides a reasonably comprehensive description of the educational program of the school, including, but not limited to, a description of the following: the charter school's target student population, including, at a minimum, grade levels, approximate numbers of pupils, and specific educational interests, backgrounds, or challenges; the charter school's mission statement with which all elements and programs of the school are in alignment and which conveys the petitioners' definition of an educated person in the 21st century, belief of how learning best occurs, and goals consistent with enabling pupils to become or remain self-motivated, competent, and lifelong learners; the instructional approach of the charter school; the basic learning environment or environments; the curriculum and teaching methods that will enable the school's students to meet state standards; how the charter school will identify and respond to the needs of pupils who are not achieving at or above expected levels; how the charter school will meet the needs of student with disabilities, English learners, students achieving substantially above or below grade level expectations; and, the charter school's special education plan, to include the means by which the charter school will comply with the provisions of Education Code section 47641, the process to be used to identify students who may qualify for special education programs and services, how the school will provide or access special education programs and services, the school's understanding of its responsibilities under law for special education pupils, and how the school intends to meet those responsibilities. (Ed. Code, § 47605, subd. (b)(5)(A))

Based on the following enumerated findings, staff concludes the Petition requires further description of the Petitioners' proposed educational program.

**Educational Program**

A significant concern is the Petition's omission of the eight state priorities that will comprise the Local Control Accountability Plan (LCAP). All new charter school petitions on or after July 1 must address new Local Control Funding Formula (LCFF) laws as per Education Code Section 47605(b)(5)(A)(ii).

In addition, Morgan Hill Prep School omits Transitional Kindergarten (TK) in its petition. Senate Bill (SB) 1381 (Chapter 705, Statutes of 2010) amended California Education Code (EC) (Section 46300, 48000, and 48010) to change the required birthday for admission to kindergarten and first grade and established a transitional kindergarten program beginning in the 2012–2013 school year. There is no evidence of a MOU with Morgan Hill Unified School District (MHUSD) or any articulated rationale for not educating TK students.

January 15, 2014

Santa Clara County Board of Education

Decision on the Charter Petition for Morgan Hill Prep – A Navigator School

Page 7 of 9

Furthermore, Morgan Hill Prep School intends on serving a student population that reflects the west side of Morgan Hill, with a larger population of socioeconomically disadvantaged students and a significantly larger English language population. This petition does not address a functioning English Learner Advisory Committee (ELAC). It is required that there be an ELAC. A functioning ELAC is required at a school site with 21 or more English learners.

English Language Development (ELD) instruction is considered a core subject for English learners. There is a lack of information on how students at the different language proficiency levels will be served. With regard to the teaching staff, there is no mention of teacher training on the ELD standards. The Petition does not articulate how instruction will be differentiated for EL students at different acquisition levels in class.

While ELD is mentioned as a core subject, it is absent in the petition when formative assessments are mentioned by core area. It is unclear how English language learner students receiving ELD will be assessed. Each English learner should receive a program of instruction in ELD in order to develop proficiency in English as rapidly and effectively as possible.

The Petition states that students will receive additional instruction in order to have access to enrichment activities such as physical education, music, art, and drama. Yet the Petition states on page 38, "in the fifth and sixth grades and when necessary, students may take double periods of math focused on computational skills and problem solving and double periods of English focused on reading and writing."

#### **Element B – Measurable Student Outcomes**

The Education Code and Regulations provide for a charter petition to identify the specific skills, knowledge, and attitudes that reflect the school's educational objectives and that can be assessed frequently and sufficiently by objective means to determine satisfactory progress and provide for the frequency of the objective means for measuring outcomes to vary by factors such as grade level, subject matter, and previous outcomes. (Ed. Code, § 47605, subd. (b)(5)(B).) Pupil outcomes must include outcomes that address increases in pupil academic achievement both school-wide and for all groups of pupils served by the charter school. (Ed. Code, § 47605, subd. (b)(5)(B).)

Measurable pupil outcomes for specific assessment are missing from the petition. The section is very brief and does not provide a comprehensive listing of specific assessments and outcomes for each.

The Petition references Standardized Testing and Reporting (STAR) Reading and Math for measuring the 1.25 years of growth students are expected to make, yet the state of California no longer has STAR testing. It was suspended with the passing of AB 484 (Bonilla). The petition should reference, "Measure of Academic Proficiency and Progress" (MAPP) instead of STAR.

#### **Element C – Methods of Assessment**

The Education Code and Regulations require a charter petition to identify the methods by which pupil progress in meeting pupil outcomes is to be measured. (Ed. Code, § 47605, subd. (b)(5)(C).)

Based on the following findings, staff concludes the Petition must provide an adequate description of the methods for assessing and measuring pupil outcomes, especially in light of California's decision to eliminate STAR testing and the CST. The Petition does not correctly identify the new state assessment system, Measure of Academic Proficiency and Progress (MAPP). Thus, to be adequate, the Petition must identify the assessment tools appropriate to the school's educational program and the Common Core State Standards, describe a plan for collecting, analyzing and reporting student data on pupil achievement, and explain how it will utilize the data continuously to monitor and improve student performance.

#### **Element D – Governance**

The Education Code provides for a charter petition to identify the governance structure including, at a minimum, evidence of the charter school's incorporation as a non-profit public benefit corporation, if applicable, the organizational and technical designs to reflect a seriousness of purposes to ensure that the school will become and remain a viable enterprise; there will be active and effective representation of interested parties; and, the educational program will be successful. (Ed. Code, § 47605, subd. (b)(5)(D).) The Education Code also provides for evidence that parental involvement is encouraged in various ways.

Parent's role in governance is limited. The petition states that parents can contact Administration, address the Navigator Board and may serve on the Board of Directors. The petition states that the staff and principal will adopt a comprehensive plan that includes opportunities for parents and guardians to become involved in the school's governance; however there is no plan at this time. The petition also states that there may be a School Site Council and other related committees.

#### **Element E – Employee Qualifications**

The Education Code provides for a charter petition to identify general qualifications for various categories of employees the school anticipates, identify those positions that the charter school regards as key in each category and specify the additional qualifications expected of individuals assigned to those positions, and specify that all employment requirements set forth in applicable provisions of law will be met, including but not limited to credentials as necessary. (Ed. Code, § 47605, subd. (b)(5)(E).)

With respect to the teaching staff, there are numerous questions and concerns raised by the lack of detail and information within the Petition. For example, there is no information regarding non-core teachers or non-certificated teachers. The Petition does not contain the qualifications required for non-certificated, non-core teachers.

With regard to the "core, college preparatory teachers and affirmations that they will hold appropriate credentials," the Petition does not identify the types of credentials teachers will need to successfully implement the instructional model described. Information regarding how teachers will be assigned and in what setting they will be teaching (e.g. self-contained, team-teaching, rotational) is lacking and makes it difficult to evaluate if the anticipated teachers will have the appropriate authorizations.

Additionally, the Petition does not address who will be providing additional services to the students such as speech pathology, school psychology, school counseling, etc. There is no



information regarding qualifications. Petitioners are responsible for providing this information and having it on file, even if those services are to be contracted.

## **CONCLUSION**

In reviewing the Petition, although there is no one major deficiency in the Petition, the fact that there are weaknesses in multiple areas of the Petition, as stated above, is disconcerting. Most notable is the lack of specificity in the areas of the education program and in finance. Although the Petitioners success at Gilroy Prep is laudable, the fact remains that the sustainability of the high academic achievement is unknown at this time. The rate of expansion of the Navigator Schools is also of concern as related to the capacity of the leadership team to successfully oversee three new schools in four years, each in a distinctive community with unique needs and student populations. In addition, Navigator currently has the benefit of a collaborative relationship with the respective school districts where their schools are located and enjoys a unique rapport that may or may not be replicated in Morgan Hill.

Therefore, staff finds that the Petitioners are demonstrably unlikely to successfully implement the program as presented in the Petition and its supporting documents and that the Petition does not provide a reasonably comprehensive description of several essential charter elements. Accordingly, staff recommends that the Board deny the November 1, 2013, Petition from Morgan Hill Prep - A Navigator School.

# SANTA CLARA COUNTY OFFICE OF EDUCATION

## STAFF CHARTER SCHOOL REVIEW MATRIX

Initial Charter Petition ☒  
 Charter Renewal ☐  
 On Appeal ☒  
 Education Code § 47605

Name of Proposed Charter School:	Petitioner Contact Information		Petition Review and Presentation Timelines		
Morgan Hill Prep School	Name:	James Dent	Petition Submitted to SCCOE	Public Hearing (30 days from receipt) Date Due:	Decision by SCBOE <small>(60 days from receipt, may be extended 30 days if agreed by petitioner(s) and SCCOE)</small> <input checked="" type="checkbox"/> 30 day extension granted
Grade Levels:	Phone:	831-235-6650			
Location(s) of Proposed Charter Schools/ Sites: (Address & District)	Address:	277 IOOF Ave Gilroy, CA 95020	11/01/13	11/13/13	01/15/14
El Toro School, P.A. Walsh School Morgan Hill Unified 15600 Concord Circle Morgan Hill, CA 95037	Email:				

ISO REQUIRED ELEMENTS: Education Code § 47605 (b) (1)-(5)					
	Question	Yes	No	N/A	Page
<input type="checkbox"/>	The charter school presents a sound educational program?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	The petitioners are demonstrably unlikely to successfully implement the program?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	The petition contains an affirmation of each of the conditions described in Education Code § 47605(d) (1)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	The initial review finds that the petition has included all of the required elements (A-P)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ISO NOTIFICATION UPON APPROVAL: Education Code § 47605 (3) (i)					
	Question	Yes	No	N/A	Page
<input type="checkbox"/>	The petition acknowledges that should the charter be granted, the petitioner will provide a written notice of the approval and a copy of the petition to: <ul style="list-style-type: none"> <li>The department (California Department of Education)</li> <li>State Board of Education</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Legend:

☐ Required to be included in charter petition and/or Memorandum of Understanding.

**Instructions to Review Team:** This checklist is designed to guide the review of charter school petitions. Throughout the evaluation, you are asked to rate the petitioner's response as Sufficient (Meets), or Insufficient (Fails to Meet) the criteria required for each specific area. The following rating definitions should be used to guide your assessment.

<b>Sufficient:</b> (Meets Required Standards)	The response indicates solid preparation and grasp of key issues that would be considered reasonably comprehensive. Overall it contains many of the characteristics of a response that exceeds the required standard, although it may require additional specificity, support or elaboration in places.
<b>Insufficient:</b> (Fails to Meet Required Standard)	The response addresses some of the selection criteria, but lacks meaningful detail and requires important additional information in order to be reasonably comprehensive. It demonstrates lack of preparation, is unclear, or otherwise raises substantial concerns about the petitioner's understanding of the issue in concept and/or ability to implement or meet the requirement in practice.

At the end of each section, please elaborate, in the comment section, in the areas you rated as Insufficient, or Strong. Your comments are essential to understanding your assessment and will be used as part of the final analysis and report to the County Board.

<b>ISO REQUIRED PETITION SIGNATURES IF CONVERSION OF EXISTING PUBLIC SCHOOL: Education Code § 47605(a)</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Page</b>
• 50% of permanent status teachers of school to be converted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>ISO REQUIRED PETITION SIGNATURES IF NOT CONVERSION OF EXISTING PUBLIC SCHOOL: Education Code § 47605(a)</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Page</b>
• 50% of parents/guardians of number of students expected to attend	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>OR</b>				
• 50% of the number of teachers expected to teach at the charter school during its 1st year	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	143
<b>ISO REQUIRED AFFIRMATIONS: Education Code § 47605(d)(1)</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Page</b>
Statement that school will be non-sectarian in its programs, admission policies, employment practices, and all other operations, will not charge tuition*, and will not discriminate against any pupil on the basis of ethnicity, national origin, gender or disability	<input checked="" type="checkbox"/> *	<input type="checkbox"/>	<input type="checkbox"/>	7-8
<b>Reviewer Comments:</b>				
*Appendix C: Family-School Involvement Framework of the petition includes the <b>"MHPS Parent/Guardian Commitment"</b> consists of 13 bulleted items which parents are asked to sign. One of the items is <i>"We will volunteer at least 20 hours per year for the MHPS community."</i> Examples of other items include: <i>"We will make sure our child arrives at MHPS on time every day...We will check our child's reading log nightly and we will read carefully and sign (if requested) all the papers the school sends home to us...We will meet regularly with teachers to discuss our child's progress, including home visits, sites off campus, and conferences and support their work to help our child excel...We will participate in all school activities including parent/family meetings, exhibition nights, community meetings, open house nights, conferences, etc."</i>				

**DETAILED REVIEW - REQUIRED ELEMENTS: Education Code § 47605(A-P)**

ESB	A. Educational Program	Sufficient	Insufficient	Page
<input type="checkbox"/>	<b>1. Targeted School Populations</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Age, grade levels and number of students.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	23
	Type of desired student populations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	21-23
<input type="checkbox"/>	<b>2. Attendance</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	School year and school day.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	29-31
	Attendance requirements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	29, 209
<input type="checkbox"/>	<b>3. What it Means to be an Educated Person in the 21<sup>st</sup> Century</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<input type="checkbox"/>	Objective of enabling pupils to become self-motivated, competent, lifelong learners.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	25-26
	Clear list of general academic skills and qualities important for an educated person.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	25-26
<input type="checkbox"/>	<b>4. Description of How Learning Best Occurs</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Persuasive instructional design	<input checked="" type="checkbox"/>	<input type="checkbox"/>	27-29
	• Broad outline (not entire scope and sequence) of the curriculum content.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	24,25
	• Description of instructional approaches and strategies.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	32-37
	• Description of learning setting (e.g. traditional, distance learning, etc.).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	31-34
	Proposed program strongly aligned to school's mission.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	21,24-58
	Affirmation or description of curriculum aligned to student performance standards.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-83
	Outline of plan or strategy to support students not meeting pupil outcomes.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-80
	Instructional design or strategies based upon successful practice or research.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	27-29
	Instructional strategies for special education, English learners, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	47-78
<input type="checkbox"/>	Transitional Kindergarten program outlines developmentally appropriate learning outcomes, using modified curriculum, specialized instruction, and assessment for all students.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	See below

**Petitioner Comment:**

"Gilroy Prep School and Hollister Prep School have reached agreement that the authorizing districts would take care of the Transitional Kinder programs. MHPS would prefer to do the same MOU with Morgan Hill Unified School District (MHUSD) so that both entities benefit."

**Reviewer Comments:**

A significant concern is the charter's omission of the eight state priorities that will comprise the Local Control Accountability (LCAP). All new charter school petitions on or after July 1 must address new Local Control Funding Formula (LCFF) laws as per Education Code Section 47605(b)(5)(A)(ii).

Morgan Hill Prep School omits Transitional Kindergarten in its petition. Senate Bill (SB) 1381 (Chapter 705, Statutes of 2010) amended California Education Code (EC) (Section 46300, 48000, and 48010) to change the required birthday for admission to kindergarten and first grade and established a transitional kindergarten program beginning in the 2012–2013 school year. There is no evidence of an MOU with Morgan Hill Unified School District (MHUSD) or any articulated rationale for not educating TK students.

Morgan Hill Prep School intends on serving a student population that reflects the west side of Morgan Hill, with a larger population of socioeconomically disadvantaged students and a significantly larger English Learner population. It is essential that there be an English Learner Advisory Committee (ELAC).

A school site with 21 or more English learners must have a functioning English Learner Advisory Committee (ELAC). This petition does not address a functioning English Learner Advisory Committee (ELAC).

Morgan Hill Prep School's calendar will closely follow that of Morgan Hill Unified School District. Kindergarten (no mention of Transitional Kindergarten) will receive a total of 57,645 instructional minutes. 1<sup>st</sup>-8<sup>th</sup> grade (upon full implementation of program) will receive 63,890 total instructional minutes; which meets the required minutes of instruction.

The Petition states that "Morgan Hill Prep School will have attendance policies to encourage regular attendance and to report truanancies to appropriate local authorities," yet Appendix J referenced has no such language.

There is concern with the reference to "ability grouping" in implementation of the instructional program (pg.33). Ability grouping, otherwise known as tracking, can have detrimental effects and is counter-intuitive to Morgan Hill Prep School stance on high expectations for all. An articulated plan is needed on how targeted intervention could look different than tracking which has, historically, adversely impacted students of color.

English Language Development (ELD) instruction is considered a core subject for English Learners, but the Petition lacks detail on how students at the different language proficiency levels will be served and what differentiation would look like in the MHPS classroom. In addition, the Petition does not address how English language students receiving English Language Development (ELD) will be assessed. Each English Learner should receive a program of instruction in English Language Development (ELD) in order to develop proficiency in English as rapidly and effectively as possible.

It is not clear how all students will have access to instruction in physical education, music, art and drama. While the petition states that the students will receive additional instruction in order to have access to enrichment activities such as physical education, music, art, and drama, it also states (pg. 38) "in the fifth and sixth grades and when necessary, students may take double periods of math focused on computational skills and problem solving and double periods of English focused on reading and writing." It appears that students in the double periods would not have access to these enrichment subjects during the school day.

ESB	B. Measurable Student Outcomes - "Exit Outcomes" or "Graduation Standards"	Sufficient	Insufficient	Page
<input checked="" type="checkbox"/>	Pupil outcomes are measurable, i.e. specific assessments listed for each exit outcome.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	81-83
	How pupil outcomes will address state content and performance standards in core academics.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	79-83
	Exit outcomes include acquisition of academic and non-academic skills.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Concise (one page) list of exit outcomes encompass specific skills, not too vague.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	25-26, 81-83
	Affirmation that "benchmark" skills and specific classroom-level skills will be developed.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	79
	Affirmation/description that exit outcomes will align to mission, curriculum and assessments.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	80
	Affirmation that college-bound students wishing to attend California colleges or universities will have the opportunity to take courses that meet the "A-G" requirements.	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	Lists school-wide student performance goals students will make over a given period of time, projected attendance, dropout, or graduation rate goals, etc.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	79-83
	Acknowledges that exit outcomes and performance goals may need to be modified over time.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-83
	If high school, graduation requirements defined.	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	If high school, WASC accreditation standards addressed.	<input type="checkbox"/>	<input type="checkbox"/>	n/a

**Reviewer Comments:**

Smarter Balanced Assessment Consortium (SBAC) interim assessments should be added to the list. Petition references Standardized Testing and Reporting (STAR) Reading and Math for measuring the 1.25 years of growth students are expected to make, yet the state of California no longer has STAR testing. It was suspended with the passing of AB 484 (Bonilla). The petition should reference, "Measure of Academic Proficiency and Progress" (MAPP) instead of STAR. Measurable pupil outcomes for specific assessment is missing from the petition. The section is very brief and does not provide a comprehensive listing of specific assessments and outcomes for each.

ESB	C. The Method by Which Pupil Progress in Meeting Outcomes Will be Measured	Sufficient	Insufficient	Page
	At least one assessment method or tool listed for each of the exit outcomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-83
	Assessments include multiple, valid and reliable measures using traditional/ alternative tools	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-83
<input checked="" type="checkbox"/>	Assessment tools include all required state and federal assessments (MAPP, CELDT, etc.) for purposes of API, AYP, and AMAO	<input type="checkbox"/>	<input checked="" type="checkbox"/>	79-83
	Chosen assessments are appropriate for standards and skills they seek to measure	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-83
	Affirmation/description of how assessments align to mission, exit outcomes, and curriculum	<input type="checkbox"/>	<input checked="" type="checkbox"/>	79
	Describes minimal required performance level necessary to attain each standard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	79-80, Appendix LW
	Outlines a plan for collecting, analyzing and reporting student/school performance data	<input checked="" type="checkbox"/>	<input type="checkbox"/>	81-83

**Reviewer Comments:**

Plan for use and reporting of data is quite brief. A more robust plan for the sharing and reporting of data was missing. There is inadequate description of assessments to measure pupil progress. The petition does not correctly identify the new state assessment system, Measure of Academic Proficiency and Progress (MAPP).

ISO	D. Governance Structure of School (Including Parental Involvement)	Sufficient	Insufficient	Page
<input type="checkbox"/>	Describes what role parents have in the governance of the school	<input type="checkbox"/>	<input checked="" type="checkbox"/>	89
<input type="checkbox"/>	Describes key features of governing structure (usually a board of directors) such as:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84-91, Appendix D
	• Size/composition of board	<input checked="" type="checkbox"/>	<input type="checkbox"/>	84
	• Board committees or advisory councils	<input checked="" type="checkbox"/>	<input type="checkbox"/>	87-89
	• Board's scope of authority/responsibility/conflict of interest	<input checked="" type="checkbox"/>	<input type="checkbox"/>	90, App.AC
<input type="checkbox"/>	Status as a non-profit or public school	<input checked="" type="checkbox"/>	<input type="checkbox"/>	90
<input type="checkbox"/>	If non-profit, provisions for liability of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	90
	Has set of proposed bylaws, policies or similar documents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix D
	Initial governing board members identified by name or the process used to select them	<input checked="" type="checkbox"/>	<input type="checkbox"/>	85
	Clear description of school's legal status and determination of whether a board member from the charter-granting agency is on the board of the charter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	85
<input type="checkbox"/>	Demonstrates compliance with Brown Act and Roberts Rules of Order	<input checked="" type="checkbox"/>	<input type="checkbox"/>	85
<b>Reviewer Comments:</b>				
<p>1) Parent's role in governance is limited. The petition states that parents can contact Administration address the Navigator Board and <u>may</u> serve on the Board of Directors. The petition states that the staff and Principal <u>will</u> adopt a comprehensive plan that includes opportunities for parents and guardians to become involved in the school's governance; however there is NO PLAN at this time. The petition also states that there <u>may</u> be a School Site Council and other related committees.</p> <p>2) While there is no specific reference to "conflict of interest" in the bylaws, there are sections that establish restrictions on interested persons as directors (VII.4), prohibit contracts with entities in which a non-director employee has a financial interest (X.1.), and which require annual report of transactions involving certain "interested persons."</p> <p>3) There are provisions in the Navigator bylaws for a board member from the charter granting board.</p>				

HRB	E. Qualifications to be Met by Individuals to be Employed by The School	Sufficient	Insufficient	Page
	Identifies key staff positions with the school	<input checked="" type="checkbox"/>	<input type="checkbox"/>	91-105
	Describes specific key qualifications (knowledge, experience, education, certification, etc.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	91-105
<input checked="" type="checkbox"/>	Defines "core, college preparatory teachers/affirms they will hold appropriate credentials (Commission on Teacher Credentialing Certificate/permit)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	98
	Identifies any non-core, non-college prep teaching positions staffed by non-certified teachers and their qualifications	<input type="checkbox"/>	<input checked="" type="checkbox"/>	102

**Reviewer Comments:**

In the Petition, the qualifications for teachers are quite vague. There is no delineation between the requirements for certificated teachers and non-certificated teachers. Ed Code §47605(l) states – *Teachers in charter schools shall hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and are subject to periodic inspection by the chartering authority. It is the intent of this Legislature that charter schools be given flexibility with regard to non-core, non-college preparatory courses.* However the petition does not address:

- The kind of credentials certificated teachers need (single subject/multiple subject);
- The qualifications required by MHPS for non-core, non-college prep teachers
- The requirements that teachers have an English Learner authorization (CLAD, BCLAD, CCSD, SB1969, SB395, etc.) (Given the target population the charter wishes to work with, EL Authorization for teachers would be a necessity to provide equal access to a quality education. The charter may run the risk if a student complains that he/she is not getting equal access to a quality education because a teacher does not have an authorization to teach to the English learner population)

The Petition lacks sufficient information to determine what a teacher assignment will be and thereby raises the question of what credentials are required. It is not clear whether the teacher settings are self-contained, team teaching, or regrouping. If they are teaching in a rotation or in a core setting, those assignments are not allowed based on multiple subject credentials of teachers for this grade level unless they hold additional authorizations. (Rotation suggests a single subject not a multiple subject credential. Core assignments, based on a multiple subjects credential are only allowed in a middle school setting)

The Petition does not address the qualifications for other service providers such as speech pathology, school psychology, school counseling, etc.

HRB	F. Health and Safety Procedures	Sufficient	Insufficient	Page
<input checked="" type="checkbox"/>	Affirms that each employee will furnish the school with a criminal record summary	<input checked="" type="checkbox"/>	<input type="checkbox"/>	91
	Outlines specific health and safety practices addressing such key areas as:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	106-110
	• Seismic safety (structural integrity and earthquake preparedness)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	109
	• Natural disasters and emergencies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	109
	• Immunizations, health screenings, administration of medications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	110
	• Tolerance for use of drugs and/or tobacco	<input checked="" type="checkbox"/>	<input type="checkbox"/>	111
	• Staff training on emergency and first aid response	<input checked="" type="checkbox"/>	<input type="checkbox"/>	109-110
	References/accompanied by more detailed set of health and safety related policies/procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	TBD based on final site

**Reviewer Comments:**



ISO	G. Means to Achieve a Reflective Racial and Ethnic Balance	Sufficient	Insufficient	Page
	Lists several specific practices/policies likely to lead to a diverse applicant pool/enrollment: practices and policies appear to be selected to target relevant racial and ethnic groups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	111-112
<p align="center"><b>Reviewer Comments:</b></p> <p>The petition states: "We will overcome any communication challenges or language barriers that we might face in reaching our targeted demographics, and will aggressively recruit all students from our proposed school neighborhood by utilizing volunteers who are bilingual. We are dedicated to making sure that all community members are equally aware of the alternative we are providing to elementary and middle school students in Morgan Hill. We will rely heavily on grass-roots, word-of-mouth marketing by developing strong community ties and partnerships with community organizations such as local schools, churches, businesses, clubs, and the neighborhood council. We will initiate a flyer campaign with representatives who are fluent in Spanish and English in order to effectively communicate our goals. Community outreach functions have been held in various locations to date. We have hosted several meet and greets in the downtown area, meetings at local restaurants and outreach opportunities at the Farmer's Market and the local church."</p>				
ISO	H. Admissions Requirements	Sufficient	Insufficient	Page
<input type="checkbox"/>	Mandatory assurances regarding non-discriminatory admission procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	113-114
<input type="checkbox"/>	No contradiction of admissions requirements re: conversion schools and public random drawings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	n/a
	Clearly describes admissions requirements, including any preferences	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114
	Proposed admissions and enrollment process and timeline	<input checked="" type="checkbox"/>	<input type="checkbox"/>	113
<p><b>Petitioner Comment:</b> Detailed lottery policy can be provided. Not included in the original petition.</p>				
<p align="center"><b>Reviewer Comments:</b></p> <p>The petition addresses the use of a lottery in the event that applications exceed capacity, but does not provide detail of the process or preferences. The petitioner has noted "Detailed lottery policy can be provided. Not included in the original petition."</p> <p>The petition states: Students in the following preference categories will be exempted from the lottery with the approval of the chartering authority: Siblings of existing school students, children of founding members and staff to not exceed 10% of MHPS enrollment for year one.</p>				
BSB	I. Financial Audit	Sufficient	Insufficient	Page
	Procedure to select and retain independent auditor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114-115
	Qualifications of independent auditor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114
	Audit will employ generally accepted accounting procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114
	Describe specific scope of audit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114
	Timing of audit and whom it will be sent to	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114
	Process for resolving audit exceptions to satisfaction of granting agencies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	114-115
<p align="center"><b>Reviewer Comments:</b></p>				

ISO	J. Pupil Suspension Expulsion	Sufficient	Insufficient	Page
	Detailed, step-by-step process by which student may be suspended or expelled OR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	116-132
	Reference to a comprehensive set of student disciplinary policies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	116-132
	Outlines or describes strong understanding of relevant laws protecting constitution rights of students, generally, and of disabled and other protected classes of students	<input checked="" type="checkbox"/>	<input type="checkbox"/>	129-132
	Policies balance students' rights to due process with responsibility to maintain a safe learning environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	116-132
	Explains how resident school district or COE will be involved in disciplinary matters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	128-132
<b>Reviewer Comments:</b>				
1) There is no reference to an involvement of the resident school district or COE in disciplinary matters except upon expulsion as described in the petition: <i>"The Charter School shall work cooperatively with parents/guardians as requested by parents/guardians or by the school district of residence to assist with locating alternative placements during expulsion."</i>				
HRB	K. Staff Retirement System	Yes	No	Page
<input checked="" type="checkbox"/>	Statement of whether staff will participate in STRS, PERS, or Social Security (if STRS, then all teachers must do so)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	133
<b>Reviewer Comments:</b>				
Staff will participate in Social Security and other school sponsored retirement plans. Board may elect to participate in STRS/PERS. School MAY opt to participate STRS/PERS.				
ISO	L. Attendance Alternatives	Yes	No	Page
<input checked="" type="checkbox"/>	States that students may attend other district schools or pursue an inter-district transfer in accordance with existing enrollment and transfer policies of their district or county of residence or description of other attendance alternatives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	134
<b>Reviewer Comments:</b>				
HRB	M. Description of Employee Rights	Yes	No	Page
<input checked="" type="checkbox"/>	Description of employee rights upon leaving school district	<input checked="" type="checkbox"/>	<input type="checkbox"/>	135
	Whether and how staff may resume employment within the district	<input checked="" type="checkbox"/>	<input type="checkbox"/>	135
	Sick/vacation leave (ability to carry it over to and from charter school)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Available in staff handbook/not included in charter
	Whether staff will continue to earn service credit (tenure) in district while at charter school	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Available in staff handbook/not included in charter
<b>Reviewer Comments:</b>				
Cannot comment on sick/vacation leave or service credit. No access to staff handbook.				

ISO N. Dispute Resolution Process		Sufficient	Insufficient	Page
	Outlines a simple process for charter and granting agency to settle disputes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136
	Process indicates whether it is binding on school or granting agency/fair process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136-138
	Step by step process for identifying/framing dispute points	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136-137
	<ul style="list-style-type: none"> <li>Whether internal charter disputes may be brought to granting agency</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136
	<ul style="list-style-type: none"> <li>Identifies specific parties to be involved at each step</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136-137
	<ul style="list-style-type: none"> <li>Basic rules at each step</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	136-137
	<ul style="list-style-type: none"> <li>Which results are binding</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	137
<p align="center"><b>Reviewer Comments:</b></p> <p>The petition includes provisions for a mediator. Recommendations from the mediator shall be non-binding.</p>				
HRB O. Labor Relations		Yes	No	Page
<input type="checkbox"/>	Whether charter or local school district will be employer for EERA purposes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	139
	If local district the employer, includes provisions clarifying charter's roles in collective bargaining	<input type="checkbox"/>	<input type="checkbox"/>	n/a
<p align="center"><b>Reviewer Comments:</b></p>				
ISO/BSB P. Closure of Charter School		Sufficient	Insufficient	Page
	Outlines an adequate process to be used if the charter school closes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	140
	Process includes a final audit of the charter school that includes specific plans for disposition of any net assets and for the maintenance and transfer of pupil records	<input checked="" type="checkbox"/>	<input type="checkbox"/>	140
<p align="center"><b>Reviewer Comments:</b></p> <p>References to the "district" should be revised to "Santa Clara County Office of Education" or "SCCOE."</p>				

**REQUIRED SUPPLEMENTAL INFORMATION: Education Code § 47605(g)**

<b>BSB Administrative Services</b>		<b>Sufficient</b>	<b>Insufficient</b>	<b>Page</b>
<input checked="" type="checkbox"/>	Did the petitioners provide information regarding the manner in which the administrative services of the school would be provided?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	362

**Reviewer Comments:**

<b>BSB Civil Liability</b>		<b>Sufficient</b>	<b>Insufficient</b>	<b>Page</b>
<input checked="" type="checkbox"/>	Did the petitioners provide information regarding the potential civil liability effects, if any, upon the school, and the school district where the charter school operates or proposes to operate and upon the county board of education?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	142

**Reviewer Comments:**

<b>BSB Financial Plan</b>		<b>Sufficient</b>	<b>Insufficient</b>	<b>Page</b>
<input checked="" type="checkbox"/>	First year operational budget	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Start-up costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Cash flow for first three years	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Financial projections for first three years	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y

**Reviewer Comments:**

<b>BSB</b>		<b>Sufficient</b>	<b>Insufficient</b>	<b>Page</b>
	<b>Planning Assumptions</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	• Number/types of students	<input checked="" type="checkbox"/>	<input type="checkbox"/>	357
	• Number of staff	<input type="checkbox"/>	<input checked="" type="checkbox"/>	361, Needs updating
	• Facilities needs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Costs of all major items are identified and within reasonable market ranges	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Revenue assumptions in line with state and federal funding guidelines	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	• Revenue from "soft" sources less than 10% of ongoing operational costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Timeline allows window for grant applications to be submitted and funded	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y

**Reviewer Comments:**

The petition indicates that the class size ratio will be 30:1. Based on the planning assumptions and staffing schedule provided with the budget narrative, the class size ratio will vary between 36:1 and 40:1 over the five year period. The calculated costs for salaries based on the provided staffing and salary schedules do not match the budgets.

Revenue assumptions do not reflect the current LCFF funding model. The impact to the financials includes understatement of revenue, expenditures and fund balance, and incorrect estimates of cash receipts.

BSB		Sufficient	Insufficient	Page
	<b>Start-Up Costs</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	• Clearly identifies most major start-up costs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	358-363
	• Staffing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	361 Needs updating, Appendix Y
	• Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	362-363, Appendix Y
	• Equipment and Supplies	<input type="checkbox"/>	<input checked="" type="checkbox"/>	362, Appendix Y
	• Professional Services	<input type="checkbox"/>	<input checked="" type="checkbox"/>	362, Appendix Y
	• Assumptions in line with overall school design plan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	• Identifies potential funding source	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	• Timeline allows for grant and fundraising	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
<p align="center"><b>Reviewer Comments:</b></p> <p>There is not a budget submitted for the startup year. Costs associated with getting the school operational (i.e. legal fees, staffing, etc.), as well as funds to pay for those expenses, have not been identified. Startup expenses for textbooks and instructional materials are referred to in the budget narrative, but expenses are budgeted in the first year of operation.</p>				
BSB		Sufficient	Insufficient	Page
	<b>Annual Operating Budget</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	• Annual revenues and expenditures clearly identified by source	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Revenue assumptions closely related to applicable state and federal funding formulas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	• Expenditure assumptions reflect school design plan	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	• Expenditure assumptions reflect market costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• "Soft" revenues not critical to solvency	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Strong reserve or projected ending balance (the larger of 2-3% of expenditure or \$25,000)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• If first year is not in balance, identifies solvency in future years and sources of capital sufficient to cover deficits until year budget is projected to balance.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Expenditure for sufficient insurance to name district as also insured/hold harmless agreement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Expenditure sufficient for reasonably expected legal services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	• Expenditure for Special Education excess costs consistent with current experience in county	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
<p align="center"><b>Reviewer Comments:</b></p> <p>Revenue assumptions do not reflect the current LCFF funding model. Budgeted expenditures that are calculated as a percentage of revenue are also inaccurate as a result of using the incorrect revenue assumptions.</p>				

BSB Cash Flow Analysis		Sufficient	Insufficient	Page
	<ul style="list-style-type: none"> <li>Monthly projection of revenue receipts in line with state/federal funding disbursements</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	<ul style="list-style-type: none"> <li>Expenditures projected by month and correspond with typical/reasonable schedules</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	<ul style="list-style-type: none"> <li>Show positive fund balance each month and/or identify sources of working capital</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
<p align="center"><b>Reviewer Comments:</b></p> <p>The 2014-15 budget forecasts federal revenues from a Public Charter School Grant Program (PCSGP) grant. The grant will only distribute up to \$325K for a two-year award in year 1; the cash analysis indicates the school is expecting to receive more than the maximum distribution amount.</p> <p>The timing of revenue receipts on the cash flow analyses are inconsistent with the current LCFF funding model.</p>				
BSB Long-term Plan		Sufficient	Insufficient	Page
	<ul style="list-style-type: none"> <li>Projects revenues and expenditures for at least two additional years</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	<ul style="list-style-type: none"> <li>Revenue assumptions based on reasonable potential growth in state and federal revenues</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Appendix Y
	<ul style="list-style-type: none"> <li>Revenue assumptions based on reasonable student growth projections</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	<ul style="list-style-type: none"> <li>Reasonable cost-of-living and inflation assumptions</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	<ul style="list-style-type: none"> <li>Annual fund balances are positive or likely sources of working capital are identified</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
<p align="center"><b>Reviewer Comments:</b></p> <p>The petition projects revenue growth based on annually adjusted general purpose and categorical block grants, rather than the current LCFF funding model.</p>				
BSB District Impact Statement		Sufficient	Insufficient	Page
	Provides district with estimated numbers of students anticipated to enroll.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
	Identifies whether charter intends to purchase support services from district.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	359, 362
	<ul style="list-style-type: none"> <li>General terms are identified</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Definable in an MOU
	Describes process and policies between charter and district.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Includes:			
	<ul style="list-style-type: none"> <li>Process, activities and associated fees for oversight of charter.</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	362
	<ul style="list-style-type: none"> <li>Content, processes, timelines, and evaluation criteria for annual review and site visits</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	N/A - MOU
	<ul style="list-style-type: none"> <li>Regular, ongoing fiscal and programmatic performance monitoring and reporting</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	88 & MOU
	<ul style="list-style-type: none"> <li>Content, process, timelines and evaluation criteria for charter renewal</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	137
	<ul style="list-style-type: none"> <li>Statement allowing reasonable opportunity to correct deficiencies in charter performance</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	137
	Specific proposed support service needs and payments to district for services rendered	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<ul style="list-style-type: none"> <li>Clearly drafted contract or agreement</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	N/A - MOU
	Identify whether or not will request district-owned facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	362
	<ul style="list-style-type: none"> <li>Reasonably detailed lease or occupation agreement</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	N/A - MOU
	Proposed legal status of school is identified	<input checked="" type="checkbox"/>	<input type="checkbox"/>	90

BSB District Impact Statement, cont.		Sufficient	Insufficient	Page
	Describes facilities agreements with charter-granting agency if appropriate	<input type="checkbox"/>	<input type="checkbox"/>	N/A - TBD Prop 39 request has been turned in to MHUSD
	Identify whether school intends to manage risk independently or secure it through district	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Addresses the increased civil liability exposure for the district	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<p align="center"><b>Reviewer Comments:</b></p> <p>The petition does not detail the oversight activities and responsibilities of the chartering authority that may be included in the oversight fees, but does reference the specific fees that can be charged if Prop 39 facilities are requested.</p>				
SSB Special Education/SELPA		Yes	No	Page
<input type="checkbox"/>	Identifies whether or not in an independent LEA for special education purposes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	78, 350, 359
<input type="checkbox"/>	Consulted with the Santa Clara County SELPA Director	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not yet. We have two schools in the EDCOE and would expect that MHPS would also enter
	<ul style="list-style-type: none"> <li>Discussed special education responsibilities of charter</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	58-78, Appendix I
	<ul style="list-style-type: none"> <li>Discussed application of SELPA policies</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	58-78, Appendix I
<input type="checkbox"/>	In writing explains how special education services will be provided consistent with SELPA plan and/or policies and procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	58-78, Appendix I
	<ul style="list-style-type: none"> <li>Includes fiscal allocation plan</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix Y
<input type="checkbox"/>	If charter not an independent LEA:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	71-79
	<ul style="list-style-type: none"> <li>Clarifies in charter or an MOU the responsibilities of each party for service delivery</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	TBD in MOU
	<input type="checkbox"/> Referral	<input checked="" type="checkbox"/>	<input type="checkbox"/>	61-63
	<input type="checkbox"/> Assessment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	63
	<input type="checkbox"/> Instruction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Appendix I
	<input type="checkbox"/> Due Process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	70
	<input type="checkbox"/> Agreements describing allocation of actual and excess costs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	71
	<input type="checkbox"/> Charter fiscally responsible for fair share of any encroachment on general funds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	71, 78

SSB	Special Education/SELPA, cont.	Yes	No	Page
<input checked="" type="checkbox"/>	If charter is LEA within County SELPA	<input type="checkbox"/>	<input type="checkbox"/>	Not yet determined. We have two schools in the EDCOE and would expect that MHPS would also enter
	• Notifies SELPA Director of intent prior to February 1 <sup>st</sup> of the preceding school year	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Located within SELPA geographical boundaries	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Provides current operating budget in accordance with Ed Code § 42130 and § 42131	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Provides assurances that all be instructed in safe environment	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Provides copy of original charter petition and any amendments	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Responsible for any legal fees relating to application and assurances process	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Meets the terms of the "Agreement Regarding the Organization, Implementation, Administration and Operation of the SELPA (Section 12-13, Appendix A)	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Meets the terms of all SELPA policies and procedures	<input type="checkbox"/>	<input type="checkbox"/>	n/a
	• Charter fiscally responsible for fair share of any encroachment on general funds	<input type="checkbox"/>	<input type="checkbox"/>	n/a
<input checked="" type="checkbox"/>	Petition includes the following assurances:	<input type="checkbox"/>	<input type="checkbox"/>	
	• The charter will comply with all provisions of IDEA	<input type="checkbox"/>	<input type="checkbox"/>	7
	• No student will be denied admission based on disability or lack of available services	<input type="checkbox"/>	<input type="checkbox"/>	7, 70
	• Will implement a Student Study Team process	<input type="checkbox"/>	<input type="checkbox"/>	61-62, Appendix I
	• Any student potentially in need of Section 504 services responsibility of charter school	<input type="checkbox"/>	<input type="checkbox"/>	7, 62, 64, 116
<input checked="" type="checkbox"/>	Petition/MOU describes process for notifying district of residence and chartering district when a special education student enrolls, becomes eligible, ineligible and/or leaves charter school	<input type="checkbox"/>	<input type="checkbox"/>	MOU
	Overview of how special education funding and services will be provided by:	<input type="checkbox"/>	<input type="checkbox"/>	
	• Charter School	<input type="checkbox"/>	<input type="checkbox"/>	58-78, Appendix I, Y
	• Charter Granting Agency	<input type="checkbox"/>	<input type="checkbox"/>	71-79
	• SELPA	<input type="checkbox"/>	<input type="checkbox"/>	60-71
<input checked="" type="checkbox"/>	Petition/MOU describes the transition to or from a district when a student with an IEP enrolls in, or transfers out of, the charter school	<input type="checkbox"/>	<input type="checkbox"/>	73, 74

**Reviewer Comments:**

Page 56 - RTI process does not discuss special education support for reading comprehension, decoding and mathematics support.

Special education support is only included for reading comprehension.



Petition discusses that the charter school will contract for consulting to provide special education training/professional development. Allocation for funding for these consulting services was not identified in budget.

Page 69 - Identifies "To the maximum extent appropriate to educate students with disabilities with non-disabled peers that are in public and private institutions," this does not apply to the charter.

Application does not include the special education services that will be provided (e.g. speech and language, RSP, etc.) Application also does not include how the charter school will address extended school year and address the needs of students that need a self-contained environment.

Budget needs to allocate funds for non-public schools, non-public agencies, and litigation fees related to due process.

ISO Grade Level, Geographic and Site Limitations		Yes	No	Page
	Does the Petition demonstrate that it will operate a single charter school within the geographic jurisdiction of the school district	<input checked="" type="checkbox"/>	<input type="checkbox"/>	23
	• If not, does the Petition demonstrate any basis for an exception	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Does the Petition identify where the school will operate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	23
	Does the Petition demonstrate that it will not serve grade levels not served by this district unless it serves all of the grade levels	<input checked="" type="checkbox"/>	<input type="checkbox"/>	23

**Reviewer Comments:**

- 1) The petition states that the school be located within the boundaries of the Morgan Hill Unified School District. The petition further states: "Pursuant to Proposition 39, MHPS will seek District facilities beginning in the school's first year...Morgan Hill Prep Charter School seeks a building in the western area of Morgan Hill." (p. 106)